

August 1, 1995

Health Planning and Policy Division
Office of Statewide Health Planning and Development
1600 9th Street, Room 400
Sacramento, California 95814

Dear Sirs:

We are responding to your request for comments regarding the California Hospital Outcomes Reports that are scheduled to be published later this summer. The draft report showed Bay Harbor Hospital to have outcomes that were 'not significantly different than expected'. While we are confident regarding the quality of the data submitted by our facility, we have continued concerns regarding the validity of the data utilized for the project in general.

While we recognize that improvements have been implemented since the first release of data in 1993, we have continued concern regarding the risk adjustment limitations. Some of our specific concerns include; (1) lack of information about physiologic or functional status at time of admission, (2) lack of ability to distinguish between problems present at admission from complications that develop later, (3) current coding procedures do not allow for weighting of complications according to their clinical severity, and (4) inconsistencies in quality of coding practices between facilities based on vague coding guidelines and reimbursement-driven coding practices.

We commend your decision to allocate funds for a validation project and anxiously await the results of that project. In addition to the currently planned improvements in data elements to be collected, we feel that continued improvements are important to meet the intent of the study which was "to make available information that *objectively* compares hospitals according to their quality of care".

Sincerely,

Jack Weiblen

Chief Executive Officer

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